

HUMAN RESOURCES DEPARTMENT

157 West Fifth Street • San Bernardino, CA 92415-0440 • (909) 387-8304
Fax (909) 387-6075



COUNTY OF SAN BERNARDINO

MARCEL TURNER
Director of Human Resources

June 30, 2004

Dear Plan Provider:

The Defined Contribution Committee (Committee) of the County of San Bernardino is requesting proposals from plan providers for administration and record keeping for the Retirement Medical Trust Plan established under a voluntary employees' benefit association (VEBA) currently offered to eligible County employees and retirees.

Currently, the Retirement Medical Trust is held by the County and invested in a liquid asset account. Total assets are approximately \$4,013,673.00 as of June 30, 2004.

The Committee intends to contract with a single provider who can administer all plan provisions, including multiple participant directed investments.

The proposals should assume a transition start date of December 1, 2004 with completion of asset transfers by December 1, 2004.

The electronic Request for Proposals (RFP) is downloadable from the www.sstbenefits.com website. From the home page, click on "RFPs" in the left column, and then click "San Bernardino County Retirement Medical Trust Plan." The Log On name is "SBC" and the password is "VEBA." The following information can be retrieved from the site:

- ☐ Request for Proposals (for downloading)
- ☐ Cover Letter (reprint from hardcopy)
- ☐ Introductory Information and Instructions
- ☐ Exhibit A: Investment Policy and Procedures Statement
- ☐ Exhibit B: Current VEBA Program Structure
- ☐ Exhibit C: Participant Demographics
 - Participants in each existing plan
 - Period ending December 31, 2003 totals
- ☐ Exhibit D: Sample Administration Fee Grids

The RFP must be downloaded and responses entered into the appropriate "grids" for submission.

The Introduction Information and Instructions contain the following:

MARK UFFER
Interim County Administrative Officer

Board of Supervisors
BILL POSTMUS First District DENNIS HANSBERGER Third District
PAUL BIANE Second District PATTI AGUIAR Fourth District
CLIFFORD YOUNG Fifth District

1. **Selection process** timetable the Committee will follow to evaluate the proposals and select a provider;
2. **Criteria for record keeping and administrative services**;
3. **Information Grids** on which respondent information will be formatted.

The demographic and process selection information and its contents are presented to you on a confidential basis and may not be used for any purpose other than responding to this RFP, nor provided to an outside party except by expressed written approval of the County.

Fifteen (15) copies of your written proposal must be received at the address below by 5:00 p.m. on August 13, 2004. Proposals received after this date (even if postmarked before 5:00 p.m., August 13, 2004) will not be considered.

Proposals should be mailed to:

**Robin Ohama, Chief
Employee Benefits and Services Division
Human Resources Department
County of San Bernardino
157 W. 5th Street, 1st Floor
San Bernardino, CA 92415-0440**

Two (2) additional copies of your written proposal must be simultaneously sent both to:

**Bill Tugaw, Consultant
SST Benefits Consulting
4966 El Camino Real, Suite 200
Los Altos, CA 94022**

**Paul Hackleman, Consultant
IC Benefits Consulting
232 Stanley Road
Burlingame, CA 94010**

In addition to the hardcopy proposal, respondents must transmit an electronic version of the RFP response grids to both Robin Ohama at rohama@hr.sbcounty.gov at San Bernardino County and to Bill Tugaw, Consultant, at billtugaw@sstbenefits.com.

Proposals should be mailed using certified or registered mail with return receipt requested, sent by overnight delivery services, or hand delivered to the County of San Bernardino address above. Faxed proposals will not be accepted.

The County of San Bernardino reserves the right to accept or reject any and all proposals or any items or groups of items offered in response to this RFP. The County reserves the right to negotiate the terms and conditions of the agreement. Please do not contact any employee or officer of the County. Contacting any employee or officer of the County may result in disqualification. The County has retained the services of SST Benefits Consulting.

All requests for information and/or clarification should be directed to:

Bill Tugaw, Consultant
SST Benefits Consulting
4966 El Camino Real, Suite 200
Los Altos, CA. 94022
Phone: (650) 940-1111
Fax: (650) 940-1583
billtugaw@sstbenefits.com

Sincerely,

A handwritten signature in cursive script, appearing to read "Robin Ohama".

Robin Ohama, J.D., Chief
Employee Benefits and Services Division

cc: Bill Tugaw, SST Benefits Consulting
Paul Hackleman, IC Benefits Consulting

RO/BT:ejw

**County of San Bernardino
Request for Proposals (RFP) for
Retirement Medical Trust Plan
RFP # HRD-05-025**

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Website Information

- ❑ Request for Proposals (for downloading)
- ❑ Cover Letter (reprint from hardcopy)
- ❑ Introductory Information and Instructions
- ❑ Exhibit A: County's Investment Policy and Procedures Statement
- ❑ Exhibit B: Current VEBA Program Structure
- ❑ Exhibit C: Participant Demographics
 - Participants in each existing plan
 - Period ending December 31, 2003 investment totals
- ❑ Exhibit D: Sample Administration Fee Grids
- ❑ **RFP Response Sections**
 - Section 1: General Information/Submission Requirements/Minimum Qualifications
 - Section 2: Investment Policy and Procedures Statement
 - Section 3: Record Keeping Services
 - Section 4: Fee/Charges Disclosure
 - Section 5: Administrative Services
 - Section 6: Standards and Performance Guarantees
 - Section 7: References

I. INTRODUCTION AND SUMMARY

1. Background

San Bernardino County's (County) Retirement Medical Trust Plan (Plan), established as a voluntary employees' beneficiary association (VEBA) plan, is governed by a Defined Contribution Committee. The County employs 18,000 full-time, part-time, and temporary employees. The Plan has approximately 492 active participants with total market assets of approximately \$4,013.673.30.

In addition to the Retirement Medical Trust Plan, the County also provides a Defined Benefit Pension Plan, a 401(a) Supplemental Retirement Program, a 401(k) Tax Deferred Salary Savings Plan, and 457(b) and 457(f) Deferred Compensation Plans to its eligible employees. The current record keeper/trustee of the Retirement Medical Trust Plan is the County.

All participant activity, e.g. contributions and medical expense claim reimbursements, are handled directly by the County.

The County has retained the consulting services of SST Benefits Consulting & Insurance Services, Inc. to work directly with the Committee to prepare the RFP, evaluate proposals, and assist the Committee with final recommendations.

The selection process is scheduled for completion in September 2004, with Board of Supervisors action anticipated in October 2004. The transition process (education and information efforts) should begin immediately thereafter, anticipating an effective plan date of December 1, 2004.

Any contract between a respondent and the County shall be subject to the approval of the Board of Supervisors and the County reserves the right to negotiate specific contract terms and conditions with the successful respondent.

2. Timeline

Distribution of Request for Proposals (RFP)	July 13, 2004
Submission of Proposals to County	August 13, 2004
Finalist Interviews (if necessary)	September 3, 2004
Recommendation to Committee	September 9, 2004
Selection by Committee	September 9, 2004
Notification of Selection to Finalists	September 9, 2004
Board of Supervisors Approval	October 5, 2004
Implementation Start Date	December 1, 2004

3. Investments

The County currently offers only a fixed account savings option to participants. The County wishes to offer additional participant directed investment as described in the Investment Policy and Procedures Statement.

The County is seeking an exceptionally knowledgeable and experienced firm, with a superior customer service orientation and philosophy, to be the administrator and record keeper of this Plan. A critical element required of the administrator and record keeper is the ability to accurately maintain participant account and share balances. The administrator/record keeper selected will be expected to provide superior administrative and record keeping services for the Plan.

4. The County's preference is that there be no administrative fees associated with this Plan.

II. DESCRIPTION OF FORMAT OF RFP (*INTERNET DOWNLOAD*)

1. Please respond to the Request for Proposals utilizing the RFP download on the www.sstbenefits.com website. The **Log On** name is "**SBC,**" the **Password** is "**VEBA.**" If more space is necessary to respond to an individual question, the grid will automatically expand to accommodate your answer.
2. The RFP is written on P.C. Windows Office XP Microsoft Word XP with Microsoft Excel XP for the worksheets.
3. **ALL RESPONSES MUST BE PROVIDED ON THE "RFP" FILE.** Please open the RFP file and respond to each question on the right side of the grid corresponding to the question. Should any question not apply to your response, please indicate with a "N/A." Brief answers are otherwise required. **Do not simply refer to an exhibit.**
4. Refer to the instructions for completing the portion of the grids written in a worksheet format on Microsoft Excel.
5. Should you have any difficulty with utilizing any aspect of this program, please contact Bill Tugaw at (650) 940-1111 extension 11, FAX to (650) 940-1583, or e-mail at billtugaw@sstbenefits.com.
6. **Any unauthorized use and/or reproduction of this RFP, except for the specific response to this Request for Proposals for the County, without the expressed written consent of SST Benefits Consulting and I.C. Benefits Consulting, is strictly prohibited.**

III. INSTRUCTIONS ON COMPLETING INFORMATIONAL GRIDS

Respond briefly to each of the following informational grids. Please limit your answers of the narrative questions to no more than two to three statements, providing the requested information within each grid. All key, pertinent information **must** be supplied within the grid or referenced in

the grid. You may provide additional exhibits, if necessary, at the end of the grids to develop your answers further. Also, any unrequested information should be placed at the end of the grids as attachments or exhibits. **Do not simply refer to an exhibit in the grids.**

Section 1: General Information/Submission Requirements/Minimum Qualifications

All proposers must complete this section.

Section 2: Investment Policy and Procedures Statement

Section 2 is the Investment Policy and Procedures Statement acknowledgement. Please indicate any modifications you recommend changing for the County.

Section 3: Record Keeping Services

All proposers must complete this section.

Section 4: Fees/Charges Disclosure

Section 4.1 Fees/Charges Disclosure identifies any and all charges and expenses associated with an investment. Any termination fees or liquidation fees must not be charged against participant accounts or to the County. Any fees associated with your proposal should be disclosed.

Sections 5: Administrative Services

All proposers must complete this section.

Section 6: Standards and Performance Guarantees

All proposers must complete this section.

Section 7: References

All proposers must complete this section.

Note: Use of Term “At-Risk”

At various points, the RFP references your willingness to be **“At-Risk”** for certain services. In general, the County is seeking performance standards and **a commitment of funds** to assure that those performance standards are met. If you are willing to commit funds in each of the requested areas, please identify both the performance standard and the amount of money you will commit **on an annual basis** to assure that the performance standard is met. Preference will be given to those proposals with clear performance standards and “at-risk” commitments over those proposals offering no commitments.